

April 9, 1984

LB 809

SPEAKER NICHOL: Senator Newell.

SENATOR NEWELL: Mr. President, members of the Legislature, LB 809 is a homestead exemption bill. It provides the first \$3,000 of exemption for homeowners and homesteads, farmers and ranchers. It is similar but not that similar to the one that we took away a number of years ago. It amounted to \$17 at the time. It was replaced by state revenues. It frankly targeted property tax relief to homeowners and it targeted property tax relief directly, not circuitously through schools or cities or counties, but directly to provide for what I believe is a problem that we have not addressed in this state. I passed out some information which is on your desks. The information is, I think, very clear. Between '71 and '81, the portion that property taxes of the total base that homeowners have borne has been increasing. In 1971 it amounted to 23.6 percent of the entire property taxes paid. Today homeowners are paying 32 percent of the entire property taxes paid or an increase of 36 percent. No other category of property has increased as dramatically as that on homesteads. This proposal is not a gigantic measure and I explained that on General File. I have heard the criticism that it is not enough property tax relief but this Legislature had an opportunity to do many, many things in terms of property tax relief this year and we failed each and every time. We have chosen no other vehicle at this point in time to provide property tax relief and none of those vehicles that we have discussed have been as directly targeted to those whose tax burden has increased as clearly and as directly and as fairly as this proposal does. It is, in fact, a good proposal, the most direct, the most "baying for the buck," if you will, in terms of property tax relief. It deals with those who have had the tax burden shifted to them most unfairly. The total cost of this proposal will be \$18 million, not this year, but next year. I have heard many people say there is not enough money next year. If there is a normal growth of a measly 6 percent or 7 percent, it will provide over \$60 million. Of that you can find \$18 million for property tax relief. If it is greater than 6 percent, if it is 7 percent, you are talking about 65, close to 70 million dollars. We can do the property taxpayers. Much has been said about Ed Jaksha and the